

From: Wayne Hedberg
To: MWright
Date: 4/9/98 5:06pm
Subject: Neal Jensen, Travertine #1 Mine - S/023/042 (Update Interim Bonding Statu

Mary Ann,
FYI

On April 6, I called Mr. Doug Snow of Beehive Insurance Company (685-2779) and left a message for him to call me regarding the status of the interim surety bond for Mr. Jensen's Travertine #1 Mine.

On April 8, I again called Mr. Snow. He informed me that he had not returned my call because he was still waiting on the receipt of financial information that Mr. Jensen had assured him he would fax to Mr. Snow no later than close of business Monday. Mr. Snow indicated that he had now received most of the required information. One bit of information remained to be sent, a first 1/4 (1998) financial statement for the new company BEG Resources LLC. He stated Mr. Jensen had promised he would fax it by the end of the day.

On April 7th(?), I spoke with Sheri Wysong of the BLM who indicated that Mr. Jensen had failed to meet their extended deadline to submit the required bond to the Division (April 6th). Mr. Jensen would now be found to have established a Record of Noncompliance. Sheri indicated this would probably be their next course of action, but management would make the final decision.

On April 9th (AM), Mr. Snow called me and left a message that he had still not received the required statement from M. Jensen. He could not take the package to the underwriters until he had this information. He had not heard anything more from Mr. Jensen regarding same. He said he would contact me if he heard anything more from Mr. Jensen today.

I didn't want to send out the draft letter we have had pending without discussing it with you first. Lets get together at your earliest convenience to decide how we want to proceed (Monday?).

CC: Mnrls